

AMENDED IN ASSEMBLY MARCH 19, 2001

CALIFORNIA LEGISLATURE—2001–02 FIRST EXTRAORDINARY SESSION

ASSEMBLY BILL

No. 66

Introduced by Assembly Member ~~Correa~~ Keeley
(Coauthors: Assembly Members Alquist, Correa, Nation, and
Pescetti)

February 20, 2001

~~An act relating to energy assistance, and making an appropriation therefor. An act to add Article 2 (commencing with Section 81610) to Chapter 3 of Part 49 of the Education Code, and to add and repeal Chapter 13 (commencing with Section 4590) of Division 5 of Title 1 of the Government Code, relating to energy, and making an appropriation therefor.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 66, as amended, ~~Correa~~ Keeley. ~~Low-income Home Energy Assistance Program: funding~~ Community colleges: energy efficiency.

(1) Existing law generally permits public agencies to develop energy conservation, cogeneration, and alternative energy supply sources at their facilities in order to promote all feasible means of energy and water conservation. Existing law also generally requires public agencies to meet specified requirements regarding service, consulting, architectural, and engineering contracts, and requires those contracts to be approved by the Department of General Services.

This bill would enact, until January 1, 2002, the Summer 2001 Energy Efficiency Projects at Community College Districts program, which would fund the implementation of energy conservation, efficiency, cogeneration, and alternate energy supply sources by

community college districts on public property. The bill would require a community college district to request proposals prior to awarding or entering into a contract, agreement, or lease, and would require the district to award each contract based on the consideration of specified qualifications. The bill would exempt energy projects, as defined, from specified requirements imposed on contracts entered into by public agencies. The bill would authorize the Director of General Services to exempt any energy project proposed by a community college district from existing advertising and competitive bidding requirements if the director deems the exemption necessary, as specified.

The bill would require each community college district that receives funds from the program to provide a report to the Chancellor of the California Community Colleges, on or before January 1, 2002, and would require the chancellor to report that information to the Chairperson of the Joint Legislative Budget Committee, the chairpersons of the appropriate policy and fiscal committees of each house of the Legislature, and the Governor by March 1, 2002.

By imposing additional duties on community college districts, this bill would impose a state-mandated local program.

(2) Existing law establishes the California Community Colleges under the administration of the Board of Governors of the California Community Colleges, and authorizes the provision of instruction by community college districts throughout the state. Existing law establishes the State Energy Resources Conservation and Development Commission in the Resources Agency, and grants it authority with respect to various energy efficiency measures and programs.

This bill would establish the Statewide Energy Management Program to assist community college districts to achieve energy independence through the development of energy management plans, the construction of sustainable green buildings, the use of renewable or other distributed energy systems, and the expansion of statewide energy education programs and services, as prescribed. The bill would require the board of governors, in consultation with the commission, to develop guidelines for this program.

The bill would specify the responsibilities associated with the program. The bill would require the Chancellor of the California Community Colleges to establish an advisory committee to provide recommendations regarding overall program development, resource development and deployment, and strategies for implementation and coordination of the program.



(3) *The bill would appropriate \$63,000,000 from the General Fund to the State Controller for allocation for expenditure for the purposes of the bill, in accordance with a prescribed schedule.*

(4) *The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.*

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

~~Under existing law, the Department of Community Services and Development is required to receive and administer the federal Low-Income Home Energy Assistance Program Block Grant and allocate the funds from that grant in a specified manner. Under existing law, a portion of these block grant funds is required to be allocated for weatherization services. The department also receives and administers federal Department of Energy Low-Income Weatherization Assistance Program funds, to provide installation of weatherization measures that increase the energy efficiency of dwellings occupied by low-income persons.~~

~~This bill would appropriate \$20,000,000 from the General Fund to the department for low-income weatherization programs.~~

Vote: ²/₃. Appropriation: yes. Fiscal committee: yes. State-mandated local program: ~~no~~ yes.

The people of the State of California do enact as follows:

1 ~~SECTION 1. (a) The sum of twenty million dollars~~
2 ~~(\$20,000,000) is hereby appropriated from the General Fund to the~~
3 ~~Department of Community Services and Development for~~
4 ~~low-income weatherization programs. These funds represent an~~
5 ~~amount equal to the allocation of federal funds to California for the~~
6 ~~Low-Income Home Energy Assistance Program (LIHEAP) and~~
7 ~~the Department of Energy Low-Income Weatherization~~
8 ~~Assistance Program (DOE-LIWAP) for the 2001 federal fiscal~~
9 ~~year.~~

~~(b) Notwithstanding any other provision of law, moneys appropriated pursuant to subdivision (a) may be allocated to community-based organizations approved either by the federal government or by the Department of Community Services and Development.~~

SECTION 1. This act shall be known, and may be cited, as the Community College Immediately Deliverable Energy Improvement Act of 2001.

SEC. 2. The Legislature finds and declares all of the following:

(a) California is experiencing an energy crisis that threatens to adversely affect the economic and environmental well-being of the state.

(b) One of the most cost-effective, efficient, and environmentally beneficial methods of meeting the state's energy needs is to encourage the efficient use of energy.

(c) The purpose of this act is to ensure the immediate implementation of energy efficiency programs in order to reduce consumption of energy and to assist in reducing the costs associated with energy demand.

(d) To the maximum extent feasible, the expenditure of funds appropriated pursuant to this act shall be prioritized based upon immediate benefits in peak energy demand reduction and more efficient use of energy.

(e) There are numerous energy efficiency project that can be immediately implemented at the community college level. The implementation of these projects would significantly assist the state in decreasing its energy loads during the summer of 2001. That load reduction will be at least 50 megawatts and 60,000,000,000 British thermal unit hours (BTUH). In the face of high energy prices, these projects will result in significant avoided energy costs, helping to relieve the burden of demands for relief placed on the Legislature.

(f) In Executive Order D-16-00, issued August 2, 2000, Governor Davis directed state agencies to design and construct buildings that incorporate energy efficiency, resource conservation, and renewable technologies. In his State of the State Address delivered on January 8, 2001, Governor Davis expressed his support for the goal of moving the University of California, the

California State University, and the California Community Colleges toward energy independence.

(g) A 1995 energy assessment, undertaken by the California Community Colleges in conjunction with the State Energy Resources Conservation and Development Commission, determined that energy savings of 15 to 30 percent could be accomplished with improved design, operation, and maintenance of buildings, with potential savings of two hundred forty million dollars (\$240,000,000) over 10 years, solely within the California Community Colleges.

(h) Community college student enrollment is projected to increase by 450,000 by 2010, which will require an additional 10,200,000 square feet of instructional building space. Seventy-four percent of all college students in the state will be enrolled in the California Community Colleges by 2010. With this projected growth, the California Community Colleges must have a plan to address the projected associated increased energy demand.

(i) The Federal Energy Management Program provides guidelines for the design and construction of energy efficient federal buildings, including energy independence and energy management plans. For every one dollar (\$1) spent, the Federal Energy Management Program saves four dollars (\$4). Since 1985, the federal government has decreased energy consumption in buildings by 15.2 percent per square foot, and is already halfway toward achieving a 30 percent reduction by 2005. The federal investment of two billion dollars (\$2,000,000,000) in energy efficiency has resulted in savings of six billion three hundred million dollars (\$6,300,000,000) on energy bills.

(j) This act will provide a state equivalent program, to be known as the Statewide Energy Management Program. Funding for a sustainable, energy efficient project will establish a sustainable green building model for schools, colleges, and universities, and will provide a means to assess optimal energy performance and a life-cycle cost approach for sustainable green building projects.

(k) The Statewide Energy Management Program will reduce the cost of community college operations by advancing energy efficiency, resource conservation, and the use of solar and other renewable energy resources, and will reduce the financial

1 demands placed on the state as the community college system
2 experiences projected growth.

3 (l) The Statewide Energy Management Program will further
4 have the capability to develop and implement strategies to
5 immediately reduce energy use through demand-side management
6 at every campus. These energy savings will help to relieve the
7 demands on California's overtaxed energy grid, given that
8 buildings are a significant energy user; buildings consume 36
9 percent of the primary energy, and 66 percent of the total
10 electricity, used in the United States. These energy savings are
11 projected to amount to a potential savings to the community
12 college system of two hundred forty million dollars
13 (\$240,000,000) over 10 years.

14 SEC. 3. Article 2 (commencing with Section 81610) is added
15 to Chapter 3 of Part 49 of Division 7 of Title 3 of the Education
16 Code, to read:

17

18 Article 2. Statewide Energy Management Program

19

20 81610. This article shall be known, and may be cited, as the
21 Statewide Energy Management Program.

22 81611. The definitions set forth in this section govern the
23 construction of this article:

24 (a) "Commission" means the State Energy Resources
25 Conservation and Development Commission.

26 (b) "Energy independence" means the utilization of existing
27 and developing technologies to meet energy needs onsite,
28 including, but not necessarily limited to, the utilization of solar,
29 fuel cells, and other renewable and clean onsite energy sources, the
30 optimization of the use of daylighting, the use of passive solar
31 orientation, and the use of construction techniques that minimize
32 energy loss, such as appropriate insulation and lighting fixtures.

33 (c) "Energy management plans" means the plans that
34 community colleges develop with guidance from the Statewide
35 Energy Management Program to implement energy efficiency
36 projects such as sustainable green buildings, renovations, and
37 wind or solar farms that will move the community colleges toward
38 energy independence.



1 (d) “Program” means the Statewide Energy Management
2 Program, established under this article, which is a state program
3 modeled after the Federal Energy Management Program.

4 (e) “Renewable or other distributed energy systems” means
5 alternative efficient sources of energy such as daylighting,
6 photovoltaic panels (rooftops or solar farms), passive solar
7 heating, fuel cells, and steam.

8 (f) “Sustainable green building” means a building that has
9 been designed to reduce both direct and indirect environmental
10 consequences associated with construction, occupancy,
11 operation, maintenance, and eventual decommissioning, and
12 whose design is evaluated for cost, quality of life, future flexibility,
13 ease of maintenance, energy and resource efficiency, and overall
14 environmental impact, with an emphasis on life-cycle cost
15 analysis.

16 81612. (a) In consultation with the commission, the Board of
17 Governors of the California Community Colleges shall further
18 develop and refine certain guidelines for a Statewide Energy
19 Management Program that have been established under an
20 ongoing joint effort of the commission and DeAnza College. This
21 statewide effort shall allow community college districts to achieve
22 energy independence through the development of energy
23 management plans, the construction of sustainable green
24 buildings, the use of renewable or other distributed energy
25 systems, and the expansion of statewide energy education
26 programs and services.

27 (b) By 2010, the program shall, at a minimum, facilitate the
28 completion of 20 district energy management plans, 150
29 renewable or other distributed energy systems, and 20 sustainable
30 green buildings on community college campuses statewide.

31 (c) In consultation with the commission, the board of governors
32 shall accomplish all of the following:

33 (1) Review and comment on academic, occupational, and
34 vocational education materials developed by the commission, the
35 Electric Power Research Institute, public utilities, and the
36 community colleges to improve energy education programs and
37 services.

38 (2) Review and recommend actions regarding successful
39 energy education programs and services that can be identified for

1 replication, personnel exchanges, or implementation of successful
2 practices.

3 (3) Review and recommend actions regarding program
4 resources for use by the community colleges or state agencies in
5 improving energy education programs and services.

6 (4) Review exemplary programs and facilities, and recommend
7 activities for adoption, replication, or policy advice.

8 (5) Review, comment, and recommend actions regarding
9 services that will effect energy conservation.

10 (6) Review and comment on funding requests received to
11 improve or enhance energy education.

12 (7) Review and comment on occupational and vocational
13 training programs and services to meet current employment
14 standards in energy occupations.

15 81613. The board of governors shall encourage the
16 construction of community college sustainable green buildings
17 that implement energy efficiency, sustainable building concepts,
18 and solar electric, fuel cell, and other technologies. On the
19 effective date of this article, the board of governors shall
20 immediately seek a prototype sustainable green community
21 college instructional building that can be a model for all new
22 construction and retrofit projects statewide.

23 81614. The Chancellor of the California Community Colleges
24 shall establish an advisory committee for the Statewide Energy
25 Management Program, and determine the membership of that
26 committee. The advisory committee, with technical assistance
27 from the commission, shall make recommendations to the
28 chancellor regarding overall program development, resource
29 development and deployment, and strategies for implementation
30 and coordination of the program. A leadership role on this
31 committee shall initially be provided by the staff of the commission
32 and DeAnza College who have been involved since 1992 in a joint
33 effort to promote training, energy efficiency, and energy
34 independence in the California Community Colleges. This
35 leadership role shall rotate to other community colleges as they
36 complete their own district energy management plans.

37 SEC. 4. Chapter 13 (commencing with Section 4590) is added
38 to Division 5 of Title 1 of the Government Code, to read:
39

CHAPTER 13. SUMMER 2001 ENERGY EFFICIENCY PROJECTS BY
COMMUNITY COLLEGE DISTRICTS

4590. It is the intent of the Legislature to permit community college districts to implement energy conservation, efficiency, cogeneration, and alternate energy supply sources on public property in accordance with this chapter in the most expedient manner possible. It is also the intent of the Legislature that the Department of General Services and the California Community College system take all steps necessary to ensure that the energy efficiency projects contemplated by this chapter are in place by the summer of 2001.

4591. For the purposes of this chapter, “energy project” means equipment, load management techniques, or other measures or services that reduce energy consumption and provide for more efficient use of energy in buildings or facilities owned or operated by community college districts.

4592. Energy projects may be implemented under this chapter upon approval of the Director of General Services.

4593. (a) Prior to awarding, or entering into, any contract, agreement, or lease pursuant to this chapter, a community college district shall request proposals from qualified persons. After evaluating those proposals, the community college district shall award contracts based on qualifications, including the consideration of all of the following factors:

(1) Experience of the contractor.

(2) Type of technology to be employed by the contractor on the energy project.

(3) Cost to the district.

(4) Any other considerations deemed relevant by the district.

(b) Community college districts may also award contracts to persons selected from the pool of qualified energy service companies established pursuant to Section 388 of the Public Utilities Code, when it is determined they are qualified to perform the work on a particular project.

(c) For purposes of this chapter, energy projects are exempt from the requirements of Chapter 10 (commencing with Section 4525).

4594. Notwithstanding Section 4593, the Director of General Services may exempt an energy project from any applicable

1 advertising and competitive bidding requirements, if the director
2 deems the exemption necessary to implement the purposes of this
3 chapter, to reduce peak electricity demand, or to improve energy
4 efficiency within the timeframe established by this chapter. The
5 director may also exempt energy projects from any capital outlay
6 process, including, but not limited to, the process provided in
7 Section 13332.11.

8 4595. The Department of General Services may adopt
9 regulations for purposes of this chapter as emergency regulations
10 in accordance with Chapter 3.5 (commencing with Section 11340)
11 of Part 1 of Division 3 of Title 2. For purposes of that chapter,
12 including, but not limited to, Section 11349.6, the adoption of the
13 regulations shall be considered by the Office of Administrative
14 Law to be necessary for the immediate preservation of the public
15 peace, health, safety, and general welfare. Notwithstanding the
16 120-day limit specified in subdivision (e) of Section 11346.1, the
17 regulations shall be repealed 180 days after their effective date,
18 unless the department complies with Sections 11349.2 to 11347.3,
19 inclusive, as provided in subdivision (e) of Section 11346.1.

20 4596. (a) Notwithstanding the repeal of this section by
21 Section 4598, on or before January 1, 2002, each community
22 college district receiving funds appropriated pursuant to this
23 section shall provide a report to the Chancellor of the California
24 Community Colleges with the following information:

25 (1) The amount of funding expended.

26 (2) The measures, programs, or activities funded.

27 (3) A description of the effectiveness of the measures,
28 programs, or activities funded in reducing peak electricity demand
29 and improving energy efficiency, as measured in kilowatthours of
30 electricity or British thermal unit hours reduced per dollar
31 expended.

32 (b) Notwithstanding the repeal of this section by Section 4598,
33 on or before March 1, 2002, the Chancellor of the California
34 Community Colleges shall provide a summary of the reports
35 provided pursuant to subdivision (a) to the Chairperson of the
36 Joint Legislative Budget Committee, to the chairpersons of the
37 appropriate policy and fiscal committees of both houses of the
38 Legislature, and to the Governor.

4597. Any contracts entered into pursuant to this chapter by a community college district are exempt from the following requirements:

(a) Services and consulting services contracts are exempt from Article 4 (commencing with Section 10335) of Chapter 2 of Part 2 of Division 2 of the Public Contract Code.

(b) Architectural and engineering contracts are exempt from Chapter 10 (commencing with Section 4525) of Division 5 of Title 1 of the Government Code, and from Sections 6106 and 6106.5 of the Public Contract Code.

(c) All contracts are exempt from Section 10295 of the Public Contract Code, relating to approval from the Department of General Services.

(d) All contracts are exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, relating to advertising.

(e) All contracts are exempt from Article 3.5 (commencing with Section 81660) of Chapter 3 of Part 49 of Division 7 of the Education Code.

(f) All contracts are exempt from Article 41 (commencing with Section 20650) of Chapter 1 of Part 3 of Division 2 of the Public Contract Code.

4598. This chapter shall remain in effect only until January 1, 2002, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2002, deletes or extends that date.

SEC. 5. The sum of sixty-three million dollars (\$63,000,000) is hereby appropriated to the Controller for allocation according to the following schedule:

(a) Fifty million dollars (\$50,000,000) to the Department of General Services to be expended for the purposes of implementing Chapter 13 (commencing with Section 4590) of Division 5 of Title 1 of the Government Code. The Department of General Services shall limit its administrative costs to implement that chapter to not more than 2½ percent of the funds expended. For the purposes of this subdivision, “administrative costs” means personnel and overhead costs associated with implementation of each measure or program. “Administrative costs” does not include costs associated with marketing or evaluation of a measure or program. Any funds appropriated pursuant to this subdivision that are

1 unencumbered by October 30, 2001, shall revert to the General
2 Fund on that date.

3 (b) Thirteen million dollars (\$13,000,000) to the Board of
4 Governors of the California Community Colleges for allocation
5 for expenditure, without regard to fiscal years, as follows:

6 (1) Six million dollars (\$6,000,000) to establish and maintain
7 a Statewide Energy Management Program.

8 (2) Six million dollars (\$6,000,000) for a community college
9 district to construct a sustainable green instructional building.

10 The projected energy savings for this building shall meet and
11 exceed by 50 percent the standards for energy efficiency contained
12 in Title 24 of the California Code of Regulations. A minimum of ten
13 million dollars (\$10,000,000) of the total project costs shall be
14 derived from nonstate resources. Preliminary plans for this
15 building shall be completed, and working drawings approved, by
16 the State Architect before the end of the 2000–01 fiscal year.

17 (3) One million dollars (\$1,000,000) to assist community
18 college districts in the development of energy management plans.

19 SEC. 6. Notwithstanding Section 17610 of the Government
20 Code, if the Commission on State Mandates determines that this
21 act contains costs mandated by the state, reimbursement to local
22 agencies and school districts for those costs shall be made
23 pursuant to Part 7 (commencing with Section 17500) of Division
24 4 of Title 2 of the Government Code. If the statewide cost of the
25 claim for reimbursement does not exceed one million dollars
26 (\$1,000,000), reimbursement shall be made from the State
27 Mandates Claims Fund.

O